

## Montgomery County

8/31/2020

### Background Statistics<sup>1</sup>

Number of farms: 1,006

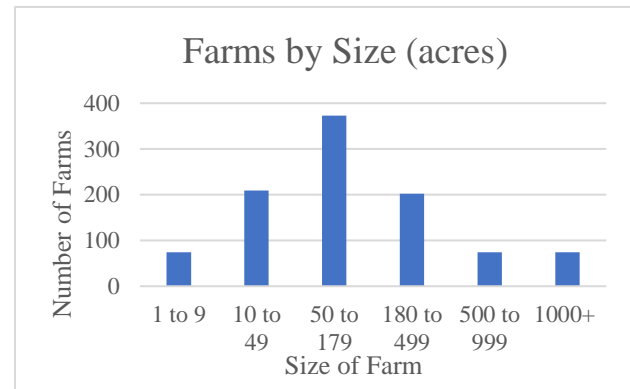
Average size: 364 acres

Land in farms: 365,696 acres

Average value of products sold per farm: \$94,683

Average net cash farm income per farm: \$17,003

1: Data from USDA 2017 Census of Agriculture



### Estimated Economic Contribution of Agriculture and Agriculture Related Sectors to the Montgomery County Economy

#### Methodology

The estimated economic contribution of agriculture and agriculture related sectors was computed using the most recent IMPLAN data available (2018) adjusted for 2020. The IMPLAN modeling system was used to calculate the results of this analysis. The IMPLAN model was constructed so that double counting was avoided. For this report, 26 of the 71 agriculture and agriculture related sectors in Kansas were identified and analyzed to determine their overall contribution to the Montgomery County economy.

#### Results

These 26 sectors have a total direct output of approximately **\$370.0 million** and account for **1,313 jobs** in Montgomery County. Running the model for all 26 sectors simultaneously produces the following results:

Agriculture, Food, and Food Processing Sector Contribution to Overall Montgomery County Economy					
Contribution Type	Employment	% Employment	Total Value Added	% of Gross Regional Product	Output
Direct Effect	1,313	6%	\$97,300,000	5%	\$370,000,000
Indirect Effect	407	2%	\$44,000,000	2%	\$102,900,000
Induced Effect	155	1%	\$10,900,000	1%	\$20,000,000
<b>Total Effect</b>	<b>1,874</b>	<b>9%</b>	<b>\$152,100,000</b>	<b>8%</b>	<b>\$492,900,000</b>

NOTE: Individual effects may not equal the total effect due to rounding.

As shown in the above table, agriculture, food, and food processing sectors support a total of **1,874 jobs**, or **9%** of the entire workforce in the county. The total final sales of all products in these sectors is approximately **\$492.9 million**.

Another metric used to calculate the importance of sectors in an economy is their value added as a percentage of Gross Regional Product (GRP). Total value added by the 26 agriculture, food, and food processing sectors is approximately **\$152.1 million**, or **8%** of the GRP.

## Top Ten Sectors by Employment

Out of the agriculture and agriculture related sectors, beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming is the top employer with **585 jobs**. This table also illustrates the top ten sectors by total employment, including direct, indirect, and induced effects in Montgomery County.

Sector	Total Employment
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	585
Nitrogenous fertilizer manufacturing	170
Animal production, except cattle and poultry and eggs	146
Grain farming	105
Wholesale - Other nondurable goods merchant wholesalers	90
All other crop farming	57
Other real estate	51
Landscape and horticultural services	50
Oilseed farming	37
Employment services	29

## Top Ten Sectors by Output

This table shows how much revenue is generated in other sectors by having a strong agriculture industry, including direct, indirect, and induced effects. The nitrogenous fertilizer manufacturing sector is the top contributor, with approximately **\$184.6 million** to the Montgomery County economy.

Sector	Total Output
Nitrogenous fertilizer manufacturing	\$184,600,000
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	\$56,200,000
Oilseed farming	\$28,600,000
Flour milling	\$26,200,000
Wholesale - Other nondurable goods merchant wholesalers	\$24,800,000
Grain farming	\$24,500,000
Animal production, except cattle and poultry and eggs	\$16,200,000
Petroleum refineries	\$15,000,000
Natural gas distribution	\$12,500,000
Dairy cattle and milk production	\$8,700,000

## All Direct Sectors

Below is a summary of all agriculture data with employment levels and output level. These values can tell how many jobs are represented by each agriculture, food, and food processing sector and the output they contributed to the Montgomery County economy. IMPLAN sectors are assigned based on North American Industry Classification System (NAICS) codes. Generally, this analysis includes three categories; production, manufacturing/processing, and services. Note that this analysis does not include wholesale or retail sales of final products, or ethanol production.

Sector	Total Output	Total Employment
Nitrogenous fertilizer manufacturing	\$184,612,223.08	170.16
Beef cattle ranching and farming, including feedlots and dual-purpose ranching and farming	\$56,158,401.27	585.21
Oilseed farming	\$28,574,319.68	37.21
Flour milling	\$26,211,876.83	20.75
Grain farming	\$24,486,304.70	104.55
Animal production, except cattle and poultry and eggs	\$16,212,938.54	146.44
Dairy cattle and milk production	\$8,703,917.94	20.60
Farm machinery and equipment manufacturing	\$7,373,654.86	17.81
Landscape and horticultural services	\$3,449,518.92	49.51
Other animal food manufacturing	\$2,205,167.99	2.08
Veterinary services	\$2,018,347.73	23.77
Support activities for agriculture and forestry	\$1,789,500.83	28.55
All other crop farming	\$1,570,926.48	57.05
Greenhouse, nursery, and floriculture production	\$1,556,877.14	11.24
Bread and bakery product, except frozen, manufacturing	\$1,477,723.95	11.43
Frozen cakes and other pastries manufacturing	\$1,008,039.20	11.44
Other snack food manufacturing	\$662,730.89	1.31
Poultry and egg production	\$654,259.48	0.94
Roasted nuts and peanut butter manufacturing	\$522,028.89	1.30
Commercial logging	\$203,945.09	3.63
Breweries	\$169,421.43	0.48
Tree nut farming	\$92,476.74	1.83
Forestry, forest products, and timber tract production	\$91,290.86	1.25
Commercial hunting and trapping	\$86,324.16	3.29
Fruit farming	\$53,612.17	0.43
Vegetable and melon farming	\$34,286.05	0.25

The following terms are used throughout the results shown in this report:

- **Direct effect:** the contribution from agricultural and food products
- **Indirect effect:** the contribution from farms and agricultural businesses purchasing inputs from supporting industries within the state
- **Induced effect:** the contribution from employees of farms, agricultural businesses, and supporting industries spending their wages on goods and services within the state
- **Value added** = labor income + indirect business taxes + other property type income
- **Gross Regional Product** = final demand of households + government expenditures + capital + exports – imports – institutional sales
- **Output** = intermediate inputs + value added
- **Employment:** full-time/part-time annual average i.e., 1 job lasting 12 months = 2 jobs lasting 6 months each = 3 jobs lasting 4 months each. A job is neither full-time nor part-time.
- Due to confidentiality policies that exist within several agencies from which IMPLAN collects their data, some sectors in some regions may not have all data available.

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